

Hispanics

Washington's labor force is changing, reflecting demographic shifts as well as changes in labor force participation.¹ Forecasts show that the state workforce will become increasingly more diverse because of the growing numbers of African, Asian, and other nonwhite Americans entering the labor force—considerably higher than the number of whites.² In particular, state forecasts indicate that between 2000 and 2020, the number of workers of Hispanic ethnicity will increase from 6.4 percent to 9.3 percent.³

Report Highlights

- Hispanics are less likely than non-Hispanic whites to be in the labor force—that is, working or looking for work.⁴ In addition, Hispanics are less likely than non-Hispanic whites to be working.
- The more education both Hispanics and non-Hispanic whites have, the more likely they are to be in the labor force and working.
- Hispanics in urban areas are as likely as those in rural areas to be in the labor force; however, those in urban areas are more likely to be working. Non-Hispanic whites in urban areas are more likely than those in rural areas to be in the labor force and are as likely to be working.
- Hispanics between the ages of 35-49 are more likely than younger or older Hispanics to be in the labor force; however, older Hispanics are more likely than younger Hispanics to be working. Compare this with younger non-Hispanic whites who are more likely than their elders to be in the labor force but less likely to be working.
- Similar percentages of Hispanics and non-Hispanic whites work full time.
- In general, Hispanics earn less than non-Hispanic whites. However, the size of the difference varies by industry, occupation, education level, and age.
- Hispanic adults tend to participate in adult basic skills programs in much larger percentages than their representation in the state's population; in other programs, they are similarly represented. Hispanic youth tend to participate in percentages smaller than their representation in the state's population.
- Hispanics who participate in community and technical college (CTC) job preparatory and worker retraining, private career school, and adult basic skills programs are more likely than non-Hispanic whites to be working after leaving their programs. On the other hand, Hispanics who participate in apprenticeship and Workforce Investment Act (WIA) dislocated worker programs are less likely than non-Hispanic white participants to be working.



- Hispanics who participate in adult basic skills and vocational rehabilitation programs have higher median hourly wage than non-Hispanic whites; in other programs, Hispanics earn less.

Hispanics in Washington⁵

Working-age Hispanics, 20-64 years old, represent 54 percent of our state's population of Hispanics.

Just over 41 percent of working-age Hispanics have some postsecondary education: 16 percent have a bachelor's degree or higher; 10 percent have an associate's degree or a vocational certificate; 15 percent have some college, but no degree; and 59 percent have a high school diploma or less. In comparison, non-Hispanic whites tend to have more education: 37 percent have a bachelor's degree or higher; 15 percent have an associate's degree or a vocational certificate; 19 percent have some college, but no degree; and 30 percent have a high school diploma or less.

Just under 12 percent of working-age Hispanics are in school, either full time (6 percent) or part time (6 percent). This is somewhat similar for non-Hispanic whites: nearly 11 percent are in school, 7 percent full time, and 3 percent part time. Of those in school, 82 percent of Hispanics and 77 percent of non-Hispanic whites are also in the labor force.

A smaller percentage of Hispanics (77 percent) than non-Hispanic whites (81 percent) are in the labor force. Of those in the labor force, 87 percent of Hispanics and 94 percent of non-Hispanic whites are working.

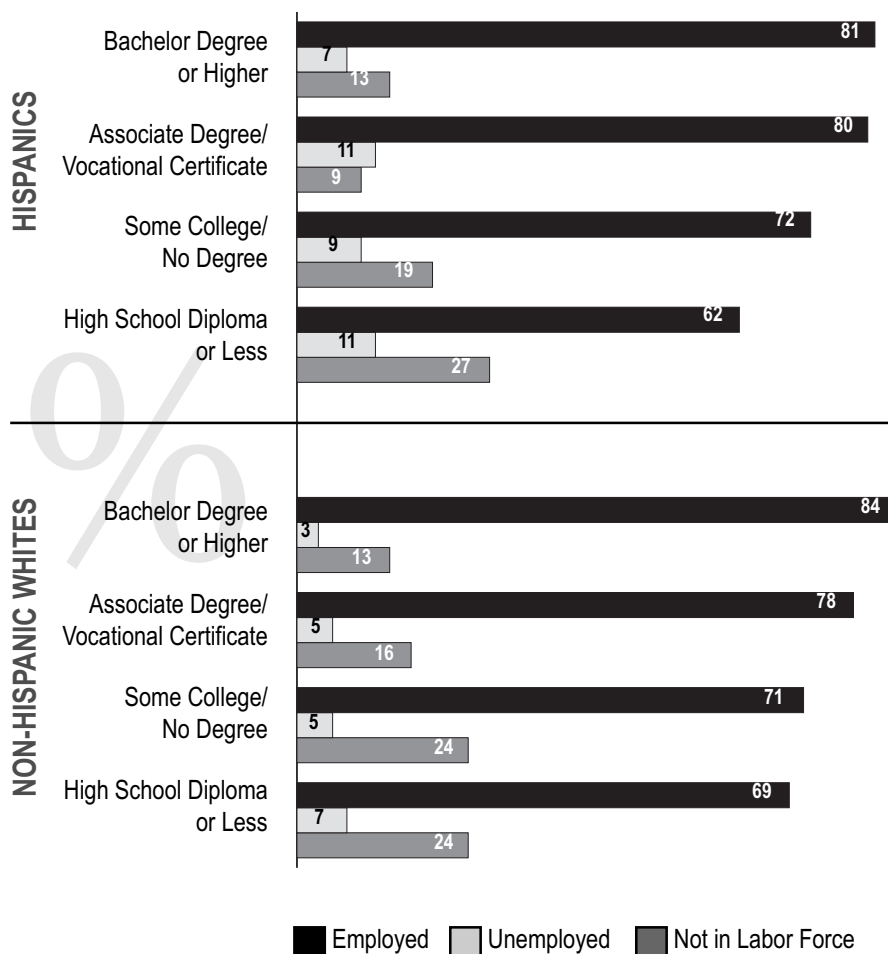
The more education Hispanics have, the more likely they are to be in the labor force.

Furthermore, of those in the labor force, Hispanics with higher levels of education are more likely to be working. The trends are similar for non-Hispanic whites. See Figure 1.

Hispanics in urban areas are just as likely as those in rural areas to be in the labor force, 77 and 78 percent respectively.⁶ However, Hispanics in urban areas are more likely to be working than those in rural areas: 90 percent compared to 85 percent. For non-Hispanic whites, a larger percentage of those in urban areas

FIGURE 1

Labor Force Status by Level of Education: Ages 20-64, Not Enrolled in School



compared to rural areas are in the labor force: 82 and 77 percent, respectively. For non-Hispanic whites in the labor force, 94 percent in both urban and rural areas are working.

Hispanics between the ages of 35-49 are more likely to be in the labor force than either younger or older Hispanics: 83 percent of those 35-49, 76 percent of those 50-64, 74 percent of those 20-34. Older Hispanics are more likely to be working: 94 percent of those 50-64, 89 percent of those 35-49, 85 percent of those 20-34. Compare this with younger

non-Hispanic whites who are more likely to be in the labor force than their elders: 86 percent of those 20-34, 85 percent of those 35-49, 72 percent of those 50-64. Similarly, older non-Hispanic whites also are more likely to be working: 96 percent of those 50-64, 94 percent of those 35-49, 91 percent of those 20-34.

If all working hours are combined, 85 percent of Hispanics and 84 percent of non-Hispanic whites work full time (35 hours or more per week).

About 7 percent of Hispanics hold more than one job compared to 9 percent of non-Hispanic whites. Of those with more than one job, most hold two.

The majority of Hispanics work in the private sector: 68 percent work for a private company, 16 percent work in government, 8 percent are self-employed, 7 percent work for a nonprofit organization, and 1 percent work for the family business. The trends are similar for non-Hispanic whites: 59 percent work for a private company, 21 percent work in government, 11 percent are self-employed, 8 percent work for a nonprofit organization, and 2 percent work for the family business.

The services industries are the largest employers of both non-Hispanic whites and Hispanics. See Figure 2.

Hispanics work mostly in construction, maintenance, production, and transportation occupations whereas the largest percentage of non-Hispanic whites are in business and professional fields. See Figure 2.

FIGURE 2

Employment in Non-Government Sector: Ages 20-64, Not in School

By Industry

	HISPANICS	NON-HISPANIC WHITES
Services	36	46
Agriculture, Forestry, Fishing, Hunting	14	2
Construction & Mining	14	10
Transportation, Communication, Utilities	11	13
Wholesale & Retail Trade	9	10
Manufacturing	9	11
Finance, Insurance, Real Estate	7	8

By Occupation

	HISPANICS	NON-HISPANIC WHITES
Construction, Maintenance, Production, Transportation	32	22
Sales & Admin. Support	20	23
Business & Professional	20	35
Service	19	12
Farming, Fishing, Forestry	5	1
Management	4	7
Military-Specific	0	0

In general, Hispanics earn less than non-Hispanic whites. The median hourly wage for Hispanics in their primary job is \$14.66; for non-Hispanic whites, it is \$19.23. On an hourly basis, Hispanics earn about 76 percent of what non-Hispanic whites earn. There are several possible reasons for this difference. The more evident ones are the industries and occupations in which Hispanics tend to work, and the level of education of Hispanics compared to non-Hispanic whites. The wage differences vary by industry or occupation. See Figure 3.⁷

Hispanics, as well as non-Hispanic whites, with higher levels of education tend to have higher median hourly wages.⁸ See Figure 4.

Hispanics 35-49 earn more than younger or older Hispanics: However, regardless of age, Hispanics earn less than non-Hispanic whites. See Figure 4.

FIGURE 3
Hourly Wages of Employment
(median based on main job)

By Industry

	HISPANICS	NON-HISPANIC WHITES
Services	14.42	16.86
Agriculture, Forestry, Fishing, Hunting	8.50	15.38

By Occupation

	HISPANICS	NON-HISPANIC WHITES
Business & Professional	21.37	24.00
Construction, Maintenance, Production, Transportation	15.00	18.85
Sales & Admin. Support	13.95	15.38
Service	12.44	12.50

FIGURE 4
Hourly Wages by Level of Education and Age Group
(median based on main job)

By Education Level

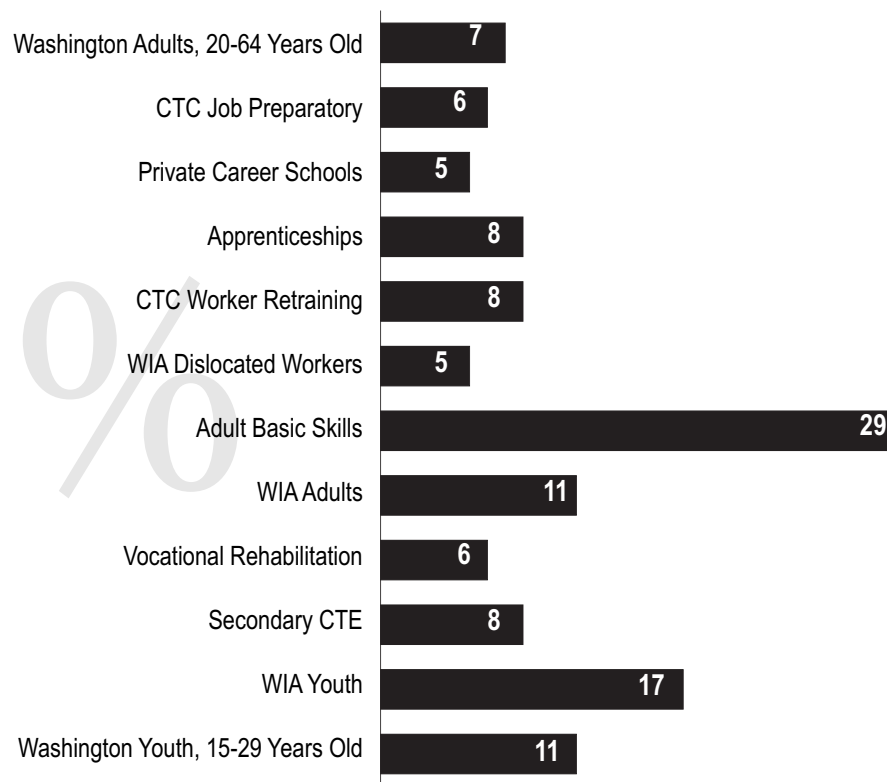
	HISPANICS	NON-HISPANIC WHITES
Bachelor Degree or Higher	21.37	24.04
Some College/ No Degree	16.98	17.44
High School or Less	12.43	15.50

By Age Group

	HISPANICS	NON-HISPANIC WHITES
50-64 Year Olds	16.98	20.19
35-49 Year Olds	19.23	21.25
20-34 Year Olds	11.90	15.48

FIGURE 5

Hispanics in Workforce Development Programs



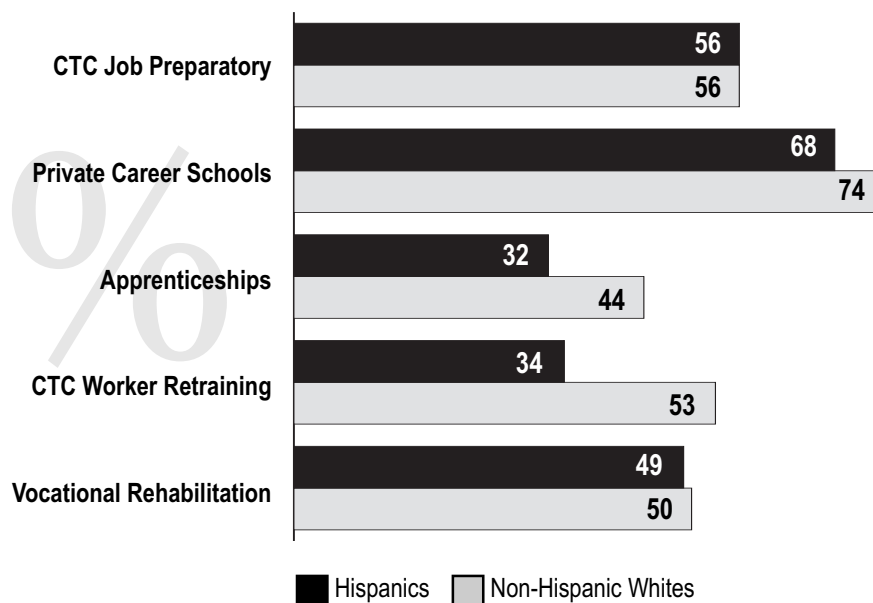
Hispanics in Washington's Workforce Development Programs⁹

The percentage of Hispanics in workforce development programs varies. Hispanics are most highly represented in adult basic skills programs that include English as a Second Language and WIA youth programs.¹⁰ See Figure 5.

Hispanics are as likely as non-Hispanic whites to complete CTC job preparatory and vocational rehabilitation programs. However, Hispanics are less likely to complete private career school, apprenticeship, and CTC worker retraining programs. See Figure 6.

FIGURE 6

Hispanics and Non-Hispanic Whites Completing Workforce Development Programs

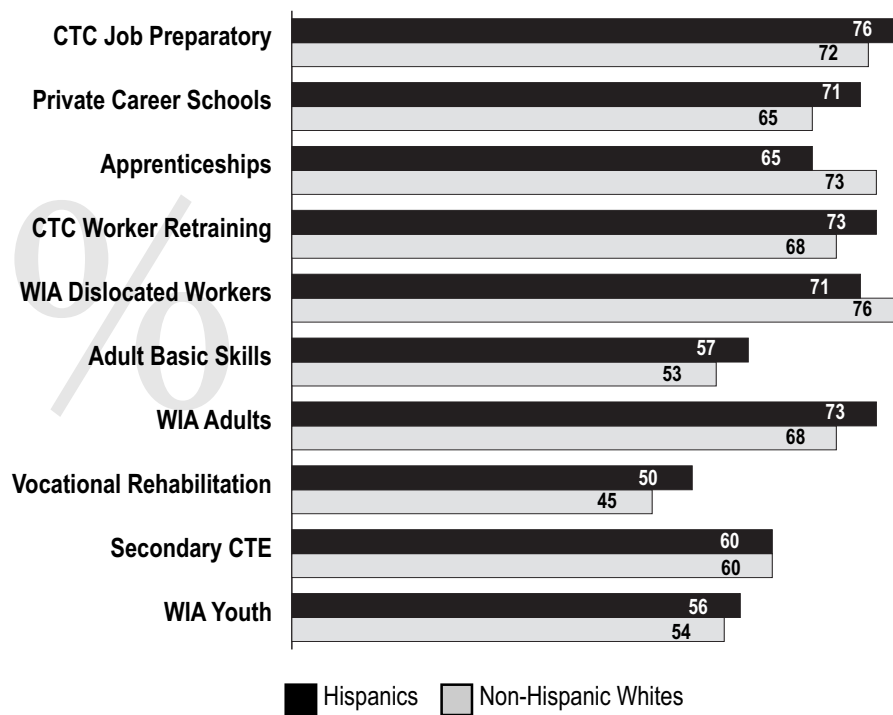


Hispanics who participate in CTC job preparatory and worker retraining, private career school, vocational rehabilitation, and adult basic skills programs are more likely than non-Hispanic whites to be working after leaving their programs. On the other hand, Hispanics who participate in apprenticeship and WIA dislocated worker programs are less likely to be working. See Figure 7.

FIGURE 7

Employment Rates of Hispanics and Non-Hispanic Whites After Workforce Development Programs

(employed during the third quarter after leaving the program)



Hispanics who participate in adult basic skills and vocational rehabilitation programs have a higher hourly wage than non-Hispanic whites, but lower wages if they participate in other programs. See Figure 11.

Hispanics who participate in adult basic skills, WIA youth, secondary CTE, and vocational rehabilitation programs have higher annual earnings than non-Hispanic whites. Hispanics in other programs have lower annual earnings than non-Hispanic whites. See Figure 8.

FIGURE 8

Wages of Hispanics and Non-Hispanic Whites After Workforce Development Programs

(median based on the third quarter after leaving the program)

Hourly

	HISPANICS	NON-HISPANIC WHITES
CTC Job Preparatory	10.84	12.66
Private Career Schools	10.48	11.83
Apprenticeships	19.21	21.19
CTC Worker Retraining	11.27	12.99
WIA Dislocated Workers	12.09	13.99
Adult Basic Skills	9.70	8.73
WIA Adults	9.86	10.45
Vocational Rehabilitation	10.47	9.92
Secondary CTE	8.01	8.28
WIA Youth	7.77	7.98

Annually

	HISPANICS	NON-HISPANIC WHITES
CTC Job Preparatory	19,337	21,700
Private Career Schools	18,212	19,560
Apprenticeships	25,176	32,154
CTC Worker Retraining	19,218	22,153
WIA Dislocated Workers	21,537	26,878
Adult Basic Skills	17,741	12,591
WIA Adults	16,023	17,140
Vocational Rehabilitation	16,514	12,391
Secondary CTE	11,072	10,264
WIA Youth	9,904	7,662

End Notes

¹In this paper, the term “labor force” refers to those who are currently working (either full time or part time) or who are actively looking for work. It is further defined as civilian noninstitutional and therefore excludes those who live in nursing homes, prison, or military barracks.

²“2004 Long-Term Economic and Labor Force Forecast for Washington,” Washington State Office of Financial Management and Washington State Employment Security Department, June 2004.

³Ibid.

⁴In this paper, Hispanics include all individuals of that ethnic background, regardless of race. The comparisons in this report are made to individuals of white, non-Hispanic background.

⁵The information on Hispanics and white, non-Hispanics in Washington is based on data from the 2004 State Population Survey (SPS). Unless otherwise indicated, all of the employment and education information references a point in time—spring 2004. Further, the employment and earnings data are based on those who are ages 20-64 who indicated they were not in school at the time of the survey.

⁶Urban and rural areas are defined using the State Population Survey (SPS) regions. The urban areas include the following regions: King County, Other Puget Metro, Clark County, and Spokane County. The rural areas include the following regions: North Sound, West Balance, Yakima Tri-Cities, and East Balance.

⁷The sample sizes for Hispanics in industries and occupations not included in the figure are too small on which to base wage estimates.

⁸The sample size of Hispanics with an associate degree or vocational certificate is too small on which to base a reliable wage estimate. The educational level “some college, no degree” is a complex category because it includes those who have a few college credits to those with three years and two quarters of college credits. Therefore, earnings information for those respondents should be interpreted with caution.

⁹Based on participants exiting programs between July 1, 2001 and June 30, 2002. For data sources, methodology, and program descriptions see *Workforce Training Results 2004* from the Workforce Training and Education Coordinating Board. We caution against making comparisons among the programs or with the state’s population-at-large: the populations served, the types of services provided, and lengths of training vary substantially from program to program.

¹⁰Data on the state’s population ages 15-19 and 20-64 are from Washington’s Office of Financial Management’s 2004 population estimates.

Workforce Training and Education Coordinating Board

Our Vision

Washington’s Workforce Training and Education Coordinating Board is an active and effective partnership of labor, business, and government leaders guiding the best workforce development system in the world.

Our Mission

We shape strategies to create and sustain a high-skill, high-wage economy.

To fulfill this Mission, the Board will:

- Advise the Governor, Legislature, and other policymakers on workforce development policy and innovative practice.
- Promote a seamless workforce development system that anticipates and meets the lifelong learning and employment needs of our current and future workforce.
- Advocate for the training and education needed for success in the 75–80 percent of jobs that do not require a baccalaureate degree.
- Ensure quality and accountability by evaluating results, and supporting high standards and continuous improvement.

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